
**FINDINGS WITH REGARD TO
PALACE GARDENS
REQUEST FOR RENT INCREASE**

The Mobilehome Rent Review Commission (the "Commission"), heard and considered testimony and evidence at a public hearing on January 20, 2011, regarding proposed space rent increase for space 330 of Palace Gardens (the "Park"), as set forth in the Notice attached to this Report. The Commission considered the following:

1. Testimony and documents submitted by the owner of the Park.
2. Testimony and documentation submitted by the affected party and other members of the public.
3. The documentation and recommendations submitted by City staff, which were contained in the staff's "Report to the Mobilehome Rent Review Commission," in connection with this matter.

Having heard and considered all of the above, the Commission finds as follows:

1. On October 22, 2010, the owner of Palace Gardens, Muraoka Enterprises, Inc., issued a Notice of space rent increase, in excess of the annual permissive rent increase, affecting space 330.
2. As to the Notice, the park owner complied with the noticing and procedural requirements contained in Municipal Code Chapter 9.50, in order to increase space rents in excess of the Annual Permissive Rent Increase. The Notice seeks to increase the space rent above the annual permissive rent increase, 1.4 percent at time of noticing.
3. As to the Notice, the resident affected by the Notice complied with the procedural requirements of Chapter 9.50 to initiate a rent review hearing by the Mobilehome Rent Review Commission.
4. The City provided the Park owner and the affected resident with adequate notice that the Commission would consider the Requests for Hearing relative to the space affected by the Notice, at its meeting on January 20, 2011.
5. The Commission also considered the documentation and recommendations submitted City staff.
6. The overall park rents and change of ownership rates have been far below the average rent of comparable parks in the South Bay of San Diego.
7. The proposed rental increase for Space 330 is consistent with the average rental rates (\$600-\$650) for similar parks upon change of ownership.

Based upon all of the evidence submitted in this matter, the Commission determines that space rent increase for space 330 is necessary in order to provide the Park owner with a fair just and reasonable rent given the current market rents in the area.

Mobilehome Rent Review Commission

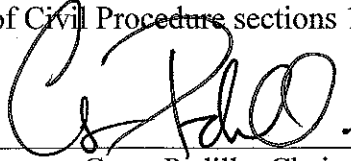
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Accordingly, the Commission approves a rent of \$600 (a \$66.64 or 11.1 percent increase) upon change of ownership for space 330 within Palace Gardens, which is the subject of this hearing.

Notice is further given that judicial review of this decision may be had and in accordance with the time frames pursuant to Code of Civil Procedure sections 1094.5 and 1094.6.

Approved to Form:

A handwritten signature in black ink, appearing to read 'C. Padilla', is written over a horizontal line.

Cesar Padilla, Chair

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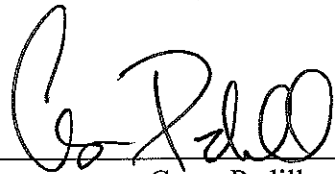
PASSED AND APPROVED BY THE MOBILEHOME RENT REVIEW COMMISSION OF
CHULA VISTA, CALIFORNIA, this 20th day of January 2011 by the following vote, to-wit:

AYES: Gonzalez, Longanecker, Padilla, Riesgo, Thompson

NOES: None

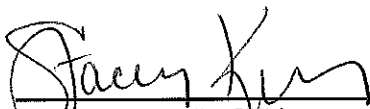
ABSENT: None

ABSTENTIONS: None



Cesar Padilla, Chair

ATTEST:



Stacey Kurz, Staff Liason